REMARKS

Claims 1-33 are pending. Claims 1-33 were rejected. Applicants respectfully request reconsideration of the rejections in view of the following remarks.

Claims 1-5, 7-10, 13-17, 19-20, 22, 24-28, 31 and 32 were rejected under 35 U.S.C. 103(a) as being obvious over U.S. Patent No. 5,577,042 to McGraw ("McGraw") in view of U.S. Patent No. 6,687,384 to Isnardi ("Isnardi").

McGraw describes a method for broadcasting in a variety of formats along telephone lines to avoid dedicated telephone services.

Isnardi is concerned with preventing someone from copying digital video. To limit open copying and redistribution, he employs digital watermarking techniques that insert syntax into multiple positions of a compressed bitstream (col. 2, lines 4-48 and col. 3, lines 37-63).

The Office Action notes that McGraw does not describe embedding first compressed video data having a first compressed format in a transmission bitstream having a second compressed format. The Office Action relies on combination with Isnardi to teach this omission.

Applicants respectfully traverse the rejection. The combination a) uses references with divergent intent, b) contradicts rules for the combination of references per the MPEP, and c) still fails to teach all limitations recited in the claims.

First, the references strive for divergent goals. McGraw wants open and flexible data transmission (see col. 1, line 15 to col. 2, line 23); Isnardi wants to reduce and thwart video redistribution (see col. 2, lines 4-48). Thus, one reference wants open transmission of video content, while the other wants restricted transmission. The opposing views permeate the references. For example, McGraw scorns <u>distribution controls</u> and instances where "subscribers ... must call their local telephone exchange ... to request routing of the information they want to transmit" (see col. 2, lines 4-48). Oppositely, Isnardi focuses on limiting and <u>controlling</u> <u>distribution</u> of video (hence, why he adds the secrurity watermarks). As states in the MPEP, "References Cannot be Combined Where the Reference Teaches Away from Their Combination" (MPEP 2145 X.D.2).

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One of skill in the art would NOT look to Isnardi (who opposes open distribution of video) to modify McGraw (who wants open distribution). McGraw's stated **objection of the invention** is "to provide a more effective and efficient means of transferring data regardless of source" (see col. 2, lines 14-19). Isnardi's watermarking is intentionally meant to thwart certain sources of video (see col. 1, lines 8-21). "The proposed modification cannot render the prior art unsatisfactory for its intended purpose" (MPEP 2143.01). Applying Isnardi's security to McGraw betrays the robust broadcasting intent of McGraw. The combination of these two references is thus improper.

Moreover, despite the dubious combination, the references still <u>fail to teach all limitations</u> of the claims. As mentioned above, the Office Action notes that McGraw does not describe embedding first compressed video data having a **first** compressed format in a transmission bitstream having a **second** compressed format, and relies on Isnardi to teach this limitation (see page 3, par. 2). But Isnardi also fails in this regard. Isnardi only describes adding syntax into a single compressed format (MPEG). The syntax and compressed format are the same format. Logically, the header syntax format used for watermarking is the same format as the compressed video that the syntax is added to. Isnardi does not teach or remotely suggest "embedding first compressed video data having a **first** compressed format in a transmission bitstream having a **second** compressed format" as recited. Thus, both references still fail to teach all limitations of the claims.

For at least these reasons, Applicants respectfully submit that McGraw and Isnardi, either alone or in combination, do not teach or suggest independent claims 1, 18, 23, 30, 31 and 32 and that the independent claims are allowable.

Dependent claims 2-17, 19-22 and 24-28 each depend either directly or indirectly from independent claims 1, 18 and 23, respectively, and are patentable over McGraw and Isnardi for at least the reasons set forth above with respect to the independent claims. For example, dependent claim 7 recites operations on <u>four</u> compressed formats. McGraw and Isnardi, either alone or in combination, do not teach receiving and embedding four different compressed formats.

Applicants also note that the Office Action has failed to provide proper basis for rejecting claims 2, 5, 7-10, 20, 22, 24 and 25. No specific or meaningful portions of either reference have been illuminated to support rejection of these claims. The June 15, 2005 Office Action only

points to two superceding paragraphs (pages 2-3) used to reject independent claims 1, 18, 23, 30, 31 and 32. These two brief paragraphs include no mention of particular limitations included in each of the dependent claims or where or how the prior art of record teaches the limitations. For claim 7 for example, where in the prior art are the first, second, third and fourth compression formats described with respect to receiving and embedding as recited in the independent claims? Targeted application of the references is missing. The Office Action thus lacks rejection of each claim in the pending application.

Claim 6 is rejected were rejected under 35 U.S.C. 103(a) as being obvious over McGraw in view of Isnardi and in further view of Lankford (USP 5,467,139).

Claims 11-12, 21, and 29 were rejected under 35 U.S.C. 103(a) as being obvious over McGraw in view of Isnardi and in further view of Wee (USP 6,507,618).

Claims 6, 11-12, 21, 29 and 33 each depend either directly or indirectly from independent claims 1, 18, 23 and 32 and are patentable over the art of record for at least the reasons set forth above with respect to the independent claims.

Based on the foregoing, all pending claims are allowable over the art of record.

Withdrawal of all rejections of under 35 U.S.C. § 103(a) are therefore respectfully requested.

Applicants believe that all pending claims are allowable and respectfully requests a Notice of Allowance for this application from the Examiner. Should the Examiner believe that a telephone conference would expedite the prosecution of this application, the undersigned can be reached at the telephone number set out below.

Applicants hereby petition for an extension of time which may be required to maintain the pendency of this case, and any required fee for such extension or any further fee required in connection with the filing of this Response is to be charged to Deposit Account No. 50-0388 (Order No. CISCP194).

Respectfully submitted,

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